

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATE FITZPATRICK | ELIZABETH FONTAINE | JOHN B. LANGAN | JAMES M. MACHADO | ROBERT B. MCCARTHY

MEMORANDUM

TO: Boston Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2016 (Non-Teachers)
DATE: February 23, 2015

Required Fiscal Year 2016 Appropriation: **\$218,812,904**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2016 which commences July 1, 2015.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2016 appropriation to be paid by each of the governmental units within your system. Once again, we used the Early Retirement Incentive (ERI) bases determined previously. The ERI column also includes adjustments made due to the 2010 legislation regarding Boston teachers (credits for crossover payment and additional FY11 payment) and the 2009 legislation regarding retired sheriffs of Suffolk County.

The assumed payment date in the funding schedule is July 1. It appears several of the governmental units make payments on a monthly basis. The Board should consider whether to adjust the assumed payment date in the next funding schedule and/or the amount of the appropriation for these units going forward.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446 Extension 921.

JEC/jrl
Attachments

cc: Office of the Mayor
City Council
c/o City Clerk

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Boston (non-teachers) Retirement Board

Projected Appropriations

Fiscal Year 2016 - July 1, 2015 to June 30, 2016

Aggregate amount of appropriation: **\$218,812,904**

Fiscal Year	Estimated Cost of Benefits	Funding Schedule (Excluding ERI)	ERI	Total Appropriation	Pension Fund Allocation	Pension Reserve Fund Allocation	Transfer From PRF to PF
FY 2016	\$455,172,286	\$233,357,645	(\$14,544,741)	\$218,812,904	\$218,812,904	\$0	\$236,359,382
FY 2017	\$470,145,607	\$250,058,719	(\$14,287,815)	\$235,770,904	\$235,770,904	\$0	\$234,374,703
FY 2018	\$485,612,728	\$268,062,476	(\$14,019,327)	\$254,043,149	\$254,043,149	\$0	\$231,569,579
FY 2019	\$501,589,935	\$287,470,250	(\$13,738,757)	\$273,731,493	\$273,731,493	\$0	\$227,858,442
FY 2020	\$518,094,050	\$308,391,246	(\$13,445,562)	\$294,945,684	\$294,945,684	\$0	\$223,148,366

The Total Appropriation column shown above is in accordance with your current funding schedule and the scheduled payment date(s) in that schedule. Whenever payments are made after the scheduled date(s), the total appropriation should be revised to reflect interest at the rate assumed in the most recent actuarial valuation. Payments should be made before the end of the fiscal year.

For illustration, we have shown the amount to be transferred from the Pension Reserve Fund to the Pension Fund to meet the estimated Cost of Benefits for each year. If there are sufficient assets in the Pension Fund to meet the Cost of Benefits, this transfer is optional.

Boston (non-teachers) Retirement Board
Appropriation by Governmental Unit

Fiscal Year 2016 - July 1, 2015 to June 30, 2016

Aggregate amount of appropriation: **\$218,812,904**

UNIT	Percent of Aggregate Amount	Funding Schedule (excluding ERI)	ERI	Total Appropriation
City of Boston	83.7663%	\$195,475,065	(\$19,855,830)	\$175,619,235
Boston Housing Authority	4.7477%	\$11,079,121	\$389,045	\$11,468,166
Boston Redevelopment Authority	0.8682%	\$2,026,011	\$184,541	\$2,210,552
Boston Water and Sewer Commission	3.6691%	\$8,562,125	\$495,636	\$9,057,761
Sheriff of Suffolk County	0.0000%	\$0	\$3,874,532	\$3,874,532
Public Health Commission	6.9487%	\$16,215,323	\$367,335	\$16,582,658
UNIT TOTAL	100%	\$233,357,645	\$-14,544,741	\$218,812,904

The Total Appropriation column shown above is in accordance with your current funding schedule and the scheduled payment date(s) in that schedule. Whenever payments are made after the scheduled date(s), the total appropriation should be revised to reflect interest at the rate assumed in the most recent actuarial valuation. Payments should be made before the end of the fiscal year.